



# Journal of the House

State of Indiana

115th General Assembly

Second Regular Session

Fifth Meeting Day

Tuesday Afternoon

January 15, 2008

The House convened at 1:30 p.m. with Speaker B. Patrick Bauer in the Chair.

The Speaker read a prayer for guidance and insight (printed January 8, 2008).

The Pledge of Allegiance to the Flag was led by Representative Pond.

The Speaker ordered the roll of the House to be called:

Austin	Hinkle
Avery	Hoy
Bardon <input type="checkbox"/>	Kersey
Bartlett	Klinker
Battles	Knollman
Behning	Koch
Bell	L. Lawson
Bischoff	Lehe
Blanton	Leonard
Borders	Lutz
Borror	Mays
Bosma	McClain
C. Brown	Micon
T. Brown	Moses
Buck	Murphy
Buell	Neese <input type="checkbox"/>
Burton	Niezgodski
Candelaria Reardon	Noe
Cheatham	Orentlicher
Cherry	Oxley
Cochran	Pelath
Crawford	Pflum
Crooks	Pierce
Crouch	Pond
Davis	Porter
Day	Reske
Dembowski	Richardson
Dermody	Ripley
Dobis	Robertson
Dodge	Ruppel <input type="checkbox"/>
Duncan	Saunders
Dvorak	Simms
Eberhart	M. Smith
Elrod	V. Smith
Espich	Soliday
Foley	Stemler
Friend	Steuerwald
Frizzell	Stevenson
Fry	Stilwell
GiaQuinta	Stutzman
Goodin	Summers
Grubb	Thomas <input type="checkbox"/>
Gutwein	Thompson
E. Harris	Tincher
T. Harris	Torr
Herrell	Turner

Tyler ☐  
Ulmer  
VanDenburgh  
VanHaaften

Walorski  
Welch  
Wolkins  
Mr. Speaker

Roll Call 11: 95 present; 5 excused. The Speaker announced a quorum in attendance. [NOTE: ☐ indicates those who were excused.]

## HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Wednesday, January 16, 2008, at 1:00 p.m.

NIEZGODSKI

Motion prevailed.

## COMMITTEE REPORT

Mr. Speaker: Your Committee, appointed to transmit to the Senate a resolution of this House to convene a joint convention of the two houses to receive the Governor's message, hereby reports that it has discharged the duty assigned to it and that the Senate has concurred with the House resolution and will meet the House in joint convention in the Chambers of the House of Representatives, at 7:00 p.m. on January 15, 2008, for the purpose of receiving the Governor's message.

KLINKER  
BUELL

BARTLETT  
SOLIDAY

Report adopted.

## COMMITTEE REPORT

Mr. Speaker: Your Committee, appointed to transmit to the Senate a resolution of this House to convene a joint convention of the two houses to receive the Chief Justice's message, hereby reports that it has discharged the duty assigned to it and that the Senate has concurred with the House resolution and will meet the House in joint convention in the Chambers of the House of Representatives, at 2:00 p.m. on January 16, 2008, for the purpose of receiving the Chief Justice's message.

BLANTON  
STEUERWALD

HOY  
ELROD

Report adopted.

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 2 and 3 and the same are herewith returned to the House.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 4 and 5 and the same are herewith returned to the House.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolutions 12 and 15 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the following motion:

"I move that Senators C. Lawson, Riegsecker, Rogers, and Sipes be appointed as a committee of four members of the Senate to act with a like committee of the House of Representatives to wait upon the Governor and to escort him to the Chambers of the House of Representatives to deliver his message to the General Assembly on Tuesday, January 15, 2008."

MARY C. MENDEL  
Principal Secretary of the Senate

## MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the following motion:

"I move that Senators Steele, Kruse, Tallian, and Breaux be appointed as a committee of four members of the Senate to act with a like committee of the House of Representatives to wait upon the Chief Justice and to escort him to the Chambers of the House of Representatives to deliver his message to the General Assembly on January 16, 2008."

MARY C. MENDEL  
Principal Secretary of the Senate

## INTRODUCTION OF BILLS

The following bills were read a first time by title and referred to the respective committees:

**HB 1271** — Stemler

Committee on Judiciary

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

**HB 1272** — Stemler

Committee on Local Government

A BILL FOR AN ACT concerning local government.

**HB 1273** — Tincher

Committee on Ways and Means

A BILL FOR AN ACT to amend the Indiana Code concerning public safety and to make an appropriation.

**HB 1274** — Tincher, Turner

Committee on Interstate and International Cooperation

A BILL FOR AN ACT to amend the Indiana Code concerning general provisions.

**HB 1275** — Stemler

Committee on Local Government

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

**HB 1276** — Pflum

Committee on Judiciary

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

**HB 1277** — Herrell

Committee on Labor and Employment

A BILL FOR AN ACT to amend the Indiana Code concerning economic development.

**HB 1278** — Simms

Committee on Government and Regulatory Reform

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

**HB 1279** — Simms

Committee on Education

A BILL FOR AN ACT to amend the Indiana Code concerning education.

**HB 1280** — Pierce

Committee on Environmental Affairs

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

**HB 1281** — Saunders, Crawford

Committee on Ways and Means

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

**HB 1282 Withdrawn pursuant to House Rule 111****HB 1283** — Fry

Committee on Labor and Employment

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

**HB 1284** — Fry

Committee on Insurance

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

**HB 1285** — Burton

Committee on Judiciary

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

**HB 1286** — Blanton, Austin

Committee on Small Business and Economic Development

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

**HB 1287** — Orentlicher, C. Brown

Committee on Public Health

A BILL FOR AN ACT to amend the Indiana Code concerning health.

**HB 1288** — Summers, Hinkle

Committee on Family, Children and Human Affairs

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

**HB 1289** — Avery

Committee on Environmental Affairs

A BILL FOR AN ACT to amend the Indiana Code concerning environmental law and to make an appropriation.

**HB 1290** — Avery

Committee on Family, Children and Human Affairs

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

**HB 1291** — Eberhart, Dermody

Committee on Interstate and International Cooperation

A BILL FOR AN ACT to amend the Indiana Code concerning immigration.

**HB 1292** — Bartlett

Committee on Government and Regulatory Reform

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

**HB 1293** — GiaQuinta

Committee on Ways and Means

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

**HB 1294** — Wolkins

Committee on Ways and Means

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

**HB 1295** — Wolkins

Committee on Roads and Transportation

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

**HB 1296** — Stevenson

Committee on Ways and Means

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

**HB 1297** — Hinkle, Moses

Committee on Government and Regulatory Reform

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

**HB 1298** — Hinkle

Committee on Veterans Affairs and Public Safety

A BILL FOR AN ACT to amend the Indiana Code concerning public safety.

**HB 1299** — Buell

Committee on Courts and Criminal Code

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

**HB 1300** — Friend, Grubb, Walorski, Pflum

Committee on Agriculture and Rural Development

A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals.

**HB 1301** — Summers

Committee on Judiciary

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

**HB 1302** — L. Lawson, Soliday

Committee on Judiciary

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

**HB 1303** — Cherry

Committee on Local Government

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

**HB 1304** — Cherry, Grubb

Committee on Environmental Affairs

A BILL FOR AN ACT to amend the Indiana Code concerning health.

**HB 1305** — Buck

Committee on Ways and Means

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

**HB 1306** — Buck

Committee on Ways and Means

A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly.

**HB 1307** — Borrer

Committee on Ways and Means

A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly.

**HB 1308** — Porter

Committee on Education

A BILL FOR AN ACT to amend the Indiana Code concerning education.

**HB 1309** — C. Brown

Committee on Ways and Means

A BILL FOR AN ACT to repeal a provision of the Indiana Code concerning taxation.

**HB 1310** — V. Smith, Bardon

Committee on Education

A BILL FOR AN ACT to amend the Indiana Code concerning education.

**HB 1311** — GiaQuinta, Tyler

Committee on Labor and Employment

A BILL FOR AN ACT to amend the Indiana Code concerning public safety.

**HB 1312** — Bell, GiaQuinta

Committee on Agriculture and Rural Development

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

**HB 1313** — Turner, Crawford, V. Smith

Committee on Judiciary

A BILL FOR AN ACT to amend the Indiana Code concerning corrections.

**HB 1314** — Turner, Summers, T. Brown, Crawford

Committee on Judiciary

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

**HB 1315** — Friend, VanDenburgh

Committee on Roads and Transportation

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

**HB 1316** — Mays

Committee on Ways and Means

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

**HB 1317** — Mays

Committee on Public Health

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

**HB 1318** — Mays

Committee on Roads and Transportation

A BILL FOR AN ACT to amend the Indiana Code concerning health and to make an appropriation.

**HB 1319** — Grubb, Pierce, Blanton, Battles  
Committee on Agriculture and Rural Development  
A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

**HB 1320** — Dobis, Candelaria Reardon  
Committee on Roads and Transportation  
A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles and to make an appropriation.

**HB 1321** — Crouch, Reske  
Committee on Veterans Affairs and Public Safety  
A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

**HB 1322** — T. Harris  
Committee on Roads and Transportation  
A BILL FOR AN ACT to amend the Indiana Code concerning motor fuel.

**HB 1323** — Fry  
Committee on Insurance  
A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

**HB 1324** — E. Harris  
Committee on Roads and Transportation  
A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

**HB 1325** — Candelaria Reardon  
Committee on Labor and Employment  
A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

**HB 1326** — Candelaria Reardon  
Committee on Rules and Legislative Procedures  
A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

**HB 1327** — VanDenburgh, Niezgodski  
Committee on Ways and Means  
A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

**HB 1328** — Reske  
Committee on Education  
A BILL FOR AN ACT to amend the Indiana Code concerning education.

**HB 1329** — Reske  
Committee on Judiciary  
A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

**HB 1330** — Oxley  
Committee on Ways and Means  
A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

**HB 1331** — Oxley, Stilwell  
Committee on Roads and Transportation  
A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

**HB 1332** — Oxley  
Committee on Insurance  
A BILL FOR AN ACT to amend the Indiana Code concerning trusts and fiduciaries.

**HB 1333** — Oxley  
Committee on Ways and Means  
A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

**HB 1334** — Thompson  
Committee on Rules and Legislative Procedures  
A BILL FOR AN ACT to amend the Indiana Code concerning local government.

**HB 1335** — Thompson  
Committee on Family, Children and Human Affairs  
A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

**HB 1336** — Thompson  
Committee on Rules and Legislative Procedures  
A BILL FOR AN ACT to amend the Indiana Code concerning local government.

**HB 1337** — Thompson  
Committee on Ways and Means  
A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

**HB 1338** — Thompson  
Committee on Ways and Means  
A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

**HB 1339** — Neese  
Committee on Family, Children and Human Affairs  
A BILL FOR AN ACT to amend the Indiana Code concerning human services.

**HB 1340** — Micon  
Committee on Interstate and International Cooperation  
A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

**HB 1341** — Stemler  
Committee on Roads and Transportation  
A BILL FOR AN ACT to amend the Indiana Code concerning transportation.

**HB 1342** — Ripley  
Committee on Technology, Research and Development  
A BILL FOR AN ACT to amend the Indiana Code concerning health.

**HB 1343** — Ripley  
Committee on Insurance  
A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

**HB 1344** — Klinker, GiaQuinta  
Committee on Labor and Employment  
A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

**HB 1345** — Robertson  
Committee on Judiciary  
A BILL FOR AN ACT to amend the Indiana Code concerning civil procedure and criminal law.

## INTRODUCTION OF JOINT RESOLUTIONS

The following joint resolutions were read a first time by title and referred to the respective committees:

**HJR 5 — Koch**

## Committee on Rules and Legislative Procedures

A JOINT RESOLUTION proposing an amendment to Articles 8, 10, and 13 of the Indiana Constitution concerning taxation.

*Be it resolved by the General Assembly  
of the State of Indiana:*

SECTION 1. The following amendment to the Constitution of the State of Indiana is proposed and agreed to by this, the One Hundred Fifteenth General Assembly of the State of Indiana, and is referred to the next General Assembly for reconsideration and agreement.

SECTION 2. ARTICLE 8, SECTION 2 OF THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED TO READ AS FOLLOWS: Section 2. The Common School fund shall consist of the Congressional Township fund, and the lands belonging thereto;

The Surplus Revenue fund;

The Saline fund and the lands belonging thereto;

The Bank Tax fund, and the fund arising from the one hundred and fourteenth section of the charter of the State Bank of Indiana;

The fund to be derived from the sale of County Seminaries, and the moneys and property heretofore held for such Seminaries; from the fines assessed for breaches of the penal laws of the State; and from all forfeitures which may accrue;

All lands and other estate which shall escheat to the State, for want of heirs or kindred entitled to the inheritance;

All lands that have been, or may hereafter be, granted to the State, where no special purpose is expressed in the grant, and the proceeds of the sales thereof; including the proceeds of the sales of the Swamp Lands, granted to the State of Indiana by the act of Congress of the twenty eighth of September, eighteen hundred and fifty, after deducting the expense of selecting and draining the same.

~~Taxes on the property of corporations, that may be assessed by the General Assembly for common school purposes.~~

SECTION 3. ARTICLE 10 OF THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED BY ADDING A NEW SECTION TO READ AS FOLLOWS: **Section 1.5. Neither the General Assembly nor a political or municipal corporation in the State may provide by law for the imposition of ad valorem property taxes.**

SECTION 4. THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED BY STRIKING OUT ARTICLE 10, SECTION 1.

SECTION 5. THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED BY STRIKING OUT ARTICLE 13, SECTION 1.

SECTION 6. THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED BY ADDING THE FOLLOWING SCHEDULE:

**SCHEDULE**

(a) As used in this SECTION, "effective year" means the calendar year that immediately follows the calendar year in which amendments to the Constitution of the State of Indiana contained in this resolution are approved in a general election under Article 16, Section 1 of the Constitution of the State of Indiana.

(b) To avoid constitutionally prohibited impairment of the obligation of contracts, the General Assembly shall provide by law for revenue from any source to pay, after the effective year, obligations of a political or municipal corporation in the State to which the corporation pledged ad valorem property tax revenue.

(c) Subject to subsection (d), the amendments to the Constitution of the State of Indiana contained in this resolution apply only to ad valorem property taxes imposed for an assessment date (as defined in IC 6-1.1-2) after

January 15 of the effective year.

(d) Subject to subsection (e), the amendments referred to in subsection (c) do not prohibit the collection of ad valorem property taxes:

(1) imposed for an assessment date (as defined in IC 6-1.1-2) in or before the effective year; and

(2) first due and payable in or before the effective year.

(e) Collections of ad valorem property taxes referred to in subsection (d) may occur after the effective year.

**REPORTS FROM COMMITTEES****COMMITTEE REPORT**

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1052, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 30, after "is" insert ":

**(A) at least fifteen (15) years and six (6) months of age; and  
(B)".**

Page 2, line 42, after "is" insert ":

**(A) at least fifteen (15) years and six (6) months of age; and  
(B)".**

(Reference is to HB 1052 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

HOY, Chair

Report adopted.

**COMMITTEE REPORT**

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1096, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 11, line 8, delete "." and insert ", and ends December 31, 2010.

**(g) The election of a prosecuting attorney to a full four (4) year term for the Switzerland County ninety-first judicial circuit established by IC 33-33-78-2, as amended by this act, is the general election on November 2, 2010. The term of a prosecuting attorney elected under this subsection begins January 1, 2011."**

Page 11, line 9, delete "(g)" and insert "(h)".

(Reference is to HB 1096 as introduced.)  
and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

HOY, Chair

Report adopted.

**COMMITTEE REPORT**

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1113, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

HOY, Chair

Report adopted.

The House recessed until the fall of the gavel.

**RECESS**

The House reconvened at 2:55 p.m. with the Speaker in the Chair.

## **ACTION ON GUBERNATORIAL VETOES**

### **House Enrolled Act 1274 (2007)**

#### **MESSAGE FROM THE GOVERNOR**

Mr. Speaker and Members of the House: By the authority vested in me as Governor of Indiana, under the provisions of Article 5, Section 14, of the Constitution of the State of Indiana, I do hereby veto House Enrolled Act 1274, enacted during the regular session of the 115th General Assembly, which would limit the Indiana State Police's flexibility in making available vehicle accident reports in an efficient and cost-effective manner.

This bill, which was opposed by both the Indiana State Police and the Indiana Criminal Justice Institute, would put at risk the substantial financial savings—estimated to \$1.1 million annually—that have been achieved by the state's new electronic accident reporting system, savings that have been used to put new state troopers on the road. In addition, it would jeopardize Indiana's outstanding data and technical reporting performance, as recognized by the National Highway and Traffic Safety Administration.

Date: May 9, 2007

MITCHELL E. DANIELS, JR.  
Governor

The Speaker handed down House Enrolled Act 1274, passed by the First Regular Session of the 115th General Assembly.

AN ACT to amend the Indiana Code concerning motor vehicles.

The merits of House Enrolled Act 1274 and the governor's veto were explained. The question was, Shall House Enrolled Act 1274 pass, the Governor's veto notwithstanding?

Roll Call 12: yeas 46, nays 47. The Governor's veto was sustained.

## **OTHER BUSINESS ON THE SPEAKER'S TABLE**

### **Referrals to Ways and Means**

The Speaker announced, pursuant to House Rule 127, that House Bill 1096 had been referred to the Committee on Ways and Means.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representative Koch be added as coauthor of House Bill 1016.

VAN DENBURGH

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representative T. Harris be added as coauthor of House Bill 1018.

FRY

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representative Eberhart be added as coauthor of House Bill 1025.

CHEATHAM

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representative Herrell be added as coauthor of House Bill 1038.

BATTLES

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representative Dvorak be added as coauthor of House Bill 1039.

STEUERWALD

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representatives Klinker, Crawford and Buell be added as coauthors of House Bill 1041.

MICON

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representatives T. Harris and Stutzman be added as coauthors of House Bill 1042.

GOODIN

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representatives Lehe and Cheatham be added as coauthors of House Bill 1048.

T. HARRIS

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representatives Noe and Stutzman be added as coauthors of House Bill 1065.

SAUNDERS

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representative Thompson be added as coauthor of House Bill 1071.

GRUBB

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representative T. Harris be added as coauthor of House Bill 1072.

WALORSKI

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representative Hinkle be added as coauthor of House Bill 1074.

SOLIDAY

Motion prevailed.

#### **HOUSE MOTION**

Mr. Speaker: I move that Representative Hinkle be added as coauthor of House Bill 1077.

NIEZGODSKI

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Micon be added as coauthor of House Bill 1078.

TORR

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Klinker, V. Smith and T. Harris be added as coauthors of House Bill 1111.

FOLEY

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Austin and Torr be added as coauthors of House Bill 1112.

MICON

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Koch and Ulmer be added as coauthors of House Bill 1113.

DEMBOWSKI

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Friend be added as coauthor of House Bill 1115.

GRUBB

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative GiaQuinta be added as coauthor of House Bill 1116.

STEUERWALD

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Koch be added as coauthor of House Bill 1117.

STILWELL

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Bell be added as coauthor of House Bill 1118.

VAN HAAFTEN

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative VanDenburgh be added as coauthor of House Bill 1141.

STEUERWALD

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives L. Lawson and Ulmer be added as coauthors of House Bill 1155.

TYLER

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Crouch be added as coauthor of House Bill 1165.

AVERY

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Murphy be added as coauthor of House Bill 1179.

MOSES

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Koch be added as coauthor of House Bill 1219.

TYLER

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representatives Turner and Noe be added as coauthors of House Bill 1225.

KOCH

Motion prevailed.

## HOUSE MOTION

Mr. Speaker: I move that Representative Borders be added as coauthor of House Bill 1262.

LEHE

Motion prevailed.

The House recessed until the fall of the gavel.

## RECESS

## JOINT CONVENTION

The members of the 115th General Assembly, meeting in Joint Convention, were called to order at 6:45 p.m. by the Speaker who introduced the Senate leadership, President Pro Tempore David C. Long, Majority Floor Leader Connie Lawson, Majority Caucus Chair James W. Merritt, Jr., Minority Floor Leader Richard D. Young, Assistant Minority Floor Leader Vi Simpson, and Minority Caucus Chair Samuel Smith, Jr., the House leadership, Majority Floor Leader Russell L. Stilwell, Majority Caucus Chair F. Dale Grubb, Speaker Pro Tempore Chester F. Dobis, Minority Leader Brian C. Bosma, Minority Floor Leader William C. Friend, and Minority Caucus Chair Kathy Kreag Richardson, and the honored guests as follows: First Lady Cheri Daniels, wife of Governor Mitch Daniels; Maggie Daniels, Melissa Daniels, and Meredith Gradel, daughters of Governor and Mrs. Daniels; Drew Gradel, son-in-law of Governor and Mrs. Daniels; Steve Skillman, husband of Lieutenant Governor Becky Skillman; Aaron Skillman, son of Lieutenant Governor and Mr. Skillman; Auditor of State Tim Berry; Dr. Suellen Reed, Superintendent of Public Instruction; Attorney General Steve Carter; Secretary of State Todd Rokita; Richard Mourdoch, Treasurer of State; Chief Justice Randall Shepard; Judge John G. Baker, Chief Judge of the Indiana Court of Appeals; Justice Frank Sullivan, Jr.; Justice Ted Boehm; Justice Brent Dickson; Justice Robert Rucker; Amy MacDonell, wife of Chief Justice Shepard; Judge Mark Bailey; Judge Michael P. Barnes; Judge Carr L. Darden; Judge Terry A. Crone; Judge Melissa S. May; Judge Margaret Robb; Judge John T. Sharpnack; Judge Cale Bradford; Clinton County Sheriff Mark Mitchell; Logansport Mayor Michael Fincher; Indianapolis

Mayor Greg Ballard; and Governor Otis "Doc" Bowen and his wife Carol.

The Speaker yielded the gavel to Lieutenant Governor Becky Skillman, President of the Senate, who convened the joint session and presented the Governor as follows:

"Members of the Joint Assembly: Pursuant to Section 13 of Article 5 of the Indiana Constitution, this Joint Convention of the two houses of the Indiana General Assembly is now convened for the purpose of hearing a message from the Governor of the State of Indiana.

Ladies and Gentlemen of the House and Senate, and distinguished guests, I have the high honor and distinct privilege of presenting to you the Governor of the State of Indiana, the Honorable Mitch Daniels, Jr."

Governor Daniels was escorted to the rostrum by Representatives Klinker, Bartlett, Buell, and Soliday and Senators C. Lawson, Riegsecker, Rogers, and Sipes.

## STATE OF THE STATE

"Mr. Speaker, Madam President, member of the Assembly, fellow Hoosiers,

Four is a number of special affection for me. It's the number of daughters with whom Cheri and I were blessed. It's the number of my birth month. It was Duke Snider's uniform number. And it is now the number of times you have afforded me the privilege of this historic platform.

Four, of course, is also the number of years given to an Indiana governor and, because none of us can see the future, I would not want tonight to pass without using what could be my last such opportunity to say thanks, sincerely, to each of you, for your courtesies and kindnesses, but mainly for the work we have done together.

Because of things we have done together, Indiana is tonight a stronger state: economically, fiscally, in the effectiveness with which it acts on its citizens' compassion for those less fortunate. And we have it before us to make this fourth year one of special achievement, as we strengthen the security of families in their homes.

But first, a brief report. In all the ways that matter most, we enter 2008 with positive momentum. Unemployment among Hoosiers is the lowest it has been in six years, all the way back to the bubble economy of 2001. In 2007, for the third year in a row, all records were broken for new investment and new jobs coming to our state. From Amazon in Munster to IBM in Daleville to AT&T in Evansville to Really Cool Foods in Cambridge City, companies of all kinds chose Indiana and Indiana workers over a world of alternatives.

State government is leaner and cleaner, and more taxpayer-friendly. The size of state government has been reduced by more than 10 percent, over 4,000 employees. Even though we have raised worker pay more than in previous years, it costs taxpayers less to meet the payroll of state government today than it did in 2004.

And government's service to taxpayers is provably, measurably better. A new crew of people from outside government has been at work in departments large and small on a mission to make government work for people. Twenty thousand more single parents now receive the child support they're owed. Public retirees now receive their first pension check without delay. Taxpayers' refund checks come back in half the time. Two hundred seventy-five more state policemen are on the roads and fighting crime. There are hundreds of such examples. But let's examine just one that captures and typifies them all.

Last month, the average total visit time at an Indiana BMV license branch was – anyone care to guess? – eight minutes, 11 seconds. Statewide, the customer satisfaction rating was 96 percent. And that's among those who had to go to a branch at all.

You can now do almost all your business by mail, or Internet, and get a discount for doing so. You can register a new vehicle at the dealer, rather than making a second trip to a branch.

If you have to go in person, you can check online and see exactly how long the visit times are right now at every branch near you. Or, you can make an appointment, so when you get there, you don't wait at all.

These improvements did not come quickly, or easily. We made mistakes along the way; some experiments worked poorly, and were abandoned. Some changes, like most changes in life, aroused concern and discontent. But the results are real, and dramatic. I dwell on this one example because, as most Hoosiers readily understand, if our people can fix the BMV, they can fix anything.

Because of a stronger economy, and businesslike stewardship of government, our fiscal situation is also profoundly better. The bankruptcy of three years ago is far behind us. The state's debts are paid. We have a surplus once again, some of which we can now return to taxpayers in the form of property tax reduction. Searching for savings is still an all day, everyday assignment, but the public's finances are responsible once more.

No one is satisfied, nor will we ever be. There will always be more jobs to recruit, waste to root out, services to improve. But if you're not at least a little proud of Indiana tonight, you're not paying attention.

Take a quick look at neighboring states. Had you noticed that, for some time now, we have had the lowest unemployment in the Midwest? That while unemployment has been going down here, it has been going up in every other Midwest state?

Have you noticed the financial crises in Michigan, Ohio, Kentucky, and Illinois? The major tax increases enacted or pending in those places? We are met here tonight to discuss tax cuts, the largest in state history; everywhere else the only direction under discussion is up.

I have long admired John Adams' diary entry of 1775: Facing incredible hardships and, for all he knew, a hangman's noose for his patriotism, his only thought was "Great things are wanted to be done."

We have proven ourselves capable of great things. We fixed our fiscal problems, and did it without raising taxes. We solved the transportation shortfall of the state, without either taxes or borrowing.

The telecommunications bill you passed, on a bipartisan basis, is the best in America and has brought us thousands of new jobs. The health insurance bill you passed, on a bipartisan basis, has now begun bringing peace of mind to thousands of the previously uninsured and unprotected.

These are great models of cooperation in the public interest. We are called now to act once again, together, on a great thing that is wanted to be done: to bring lasting fairness and affordability to the taxation of property in our state.

A quick google of the words "property tax" and "crisis" would turn up hundreds of hits among news reports of recent months. And, for many Hoosiers, the bills of 2007 can fairly be labeled that way.

If you are watching tonight in any of the 250,000 Hoosier households where property taxes went down, you may be asking if the word "crisis" is an exaggeration. But if you are in South Bend, or Muncie, or anywhere else where bills suddenly



skyrocketed, you won't think it's too big a word. None of us should think so because, as in everything, we are in this together, and a crisis for any Hoosier family is a problem for us all.

Many of you know the Chinese concept "wei ji," the single character for "crisis" that means both "danger" and "opportunity." Indiana's property tax dilemma presents us with a glistening opportunity not merely to alleviate a problem, but to create yet another positive advantage for our state.

We are off to a fine start. Mr. Speaker, Mr. President Pro Tem, taxpayers could not ask for more fair-minded cooperation than you each demonstrated by beginning work immediately on the framework bill I proposed.

The tenets of that framework are well known to each member, and need no lengthy elaboration here. I ask you to take four – there's that number again – major steps on behalf of taxpayers.

First, immediate relief to every homeowner, taking Indiana property tax levels to some of the very lowest in America. The plan I sent you would place our state among the lowest eight or nine states anywhere, and by far the lowest in the Midwest.

Second, permanent protection against the return of unaffordable taxes, through a permanent, constitutional cap of one percent of a home's value, an absolute ceiling beyond which no homeowner would ever pass. Make the cuts further secure by lifting permanently the costs of child welfare protection and school operations off the property taxpayer altogether.

Third, reform of our hopelessly unfair assessment system, with its unexplained inaccuracies and its unequal treatment of like properties.

And fourth, genuine limits on total local spending and borrowing, with none of the loopholes and exceptions that have permitted such spending to balloon in recent years. I hope you will join me in giving citizens what they have in most states, a final say over major capital projects through a straightforward referendum. I do not share the fear of some that Hoosiers cannot be trusted to weigh the pros and cons of big investments for which they will pay the costs. I say, trust the people; give them the facts, and let them vote.

We should do all this in ways that preserve local control over the operations of schools and the setting of local priorities. Fix authority and accountability for controlling total spending where it should be, on the elected leadership of each community, and end the era of micromanagement from Indianapolis.

The complaints have started, of course, from those who say they just couldn't possibly get by on less of the taxpayers' money. That capping property tax bills and total local spending must yield to the demands of business as usual.

But it is business as usual that must yield. Business as usual means spending as usual means taxing as usual. To tax less, you must first spend less, so you must say a polite "no" to the spenders and their lobbyists, and an emphatic "yes" to the overburdened property taxpayers of Indiana.

And when you have, your work will have set the stage for still further and equally historic change. Real limits on local spending growth will propel, or even compel, long overdue repair of our antique local government furniture.

When it comes to the structure of local government, Indiana skipped the twentieth century. A time traveler from Civil War days would be dumbstruck by an iPod or I-70 or eye surgery, but he would have no trouble recognizing our system of local government. We have too many offices, too many taxing units, too many politicians, too many of everything, and they all cost money.

At my request, seven leading Hoosiers with no axes to grind,

no interests at heart except the public interest, recently completed a true act of citizenship. Their report charts the path to better local government and keeping property taxes down over the long haul. Indiana owes Joe Kernan, Randy Shepard, and their colleagues a heartfelt expression of thanks. And, in the wake of property tax reduction, we owe them bold action on the excellent recommendations they have given us.

In the work immediately before us, we must not settle for a mere shift of taxation. Yes, we should add a penny to the sales tax as the fairest source of funds for relief. But we can also use a prudent piece of our newly restored surplus to make our reform an historic net tax cut. The plan I have proposed will deliver \$1.19 in tax cuts for every dollar of new sales tax revenue. And next year, when the caps take full effect, taxpayers will be enjoying almost \$2 of tax cuts for every dollar of new sales tax, almost a billion dollars in all. That would amount to by far the biggest tax cut in state history. That is making opportunity from crisis.

This Assembly will take up other business, as it should. I ask, for instance, that you pass a package of measures that will help us improve still further our collection of child support payments. Our progress has been encouraging, but when 45 cents of every courtordered payment dollar still goes unpaid, and each cent represents more than \$5 million dollars straight to single parents struggling to give children a decent upbringing, more tools are necessary.

But we all know that this session has one paramount assignment, one act for which it will be remembered. Property tax reduction in all its dimensions will be hard work, timeconsuming work. We must resolve to stay at it until success is achieved. Please don't make spring break reservations without a refundable ticket, because we're all staying as long as it takes.

But the fast start you've made, and the bipartisan spirit in which you've made it, gives taxpayers every reason to expect historic action with an on-time delivery. Just in case we need a little spur, here's a friendly challenge.

With Cheri in the balcony tonight is a friend to all Hoosiers, the first governor to deliver property tax relief, our own Doc Bowen. Doc and Carol, you know how much we love you.

Six weeks from today, on February 26th, Doc Bowen will reach his 90th birthday. May I suggest to you that an excellent birthday present, and a fitting tribute to this great man, would be the passage by that date of fair, far-reaching, and final property tax reduction that makes Indiana a capital of the American dream of home ownership?

Within my first few weeks in this job, I flew to the East Coast to make a case for Hoosier jobs to a Fortune 50 CEO. In that conversation, he posed a memorable question: "Indiana," he said "Indiana... What are you known for? What makes your state distinctive?" "Sir," I said, "today that's not easy to answer. But one day you won't have to ask. No one will."

Just three years later, answers have begun to emerge. When knowledgeable Americans think of telecommunications reform, they think of Indiana. When advocates of agriculture, or biofuels, or clean coal technology convene, Indiana comes up first. At every meeting about the national transportation crisis, it is Indiana they talk about as the one state that solved the problem.

In recent months, Indiana has been rated number 12 nationally for our business tax climate, number four for our overall cost of doing business, and number three for economic development success. We are now number one in the Midwest in all those categories, "an island of growth" as one economist recently wrote.

But top tier rankings and regional leadership are not enough.

Indiana aims higher these days. We pause for satisfaction only when we hit the very top, as we did last year when Indiana was number one among all states, regardless of size, in winning investment and insourcing jobs from international companies.

Within the last year, Indiana became host to the largest biodiesel plant in the world. To the largest, most high-tech mail order pharmacy in the world. To the world's first commercial-scale clean coal power plant. Yes, we're becoming known. We're becoming distinctive.

On one of the most unforgettably joyful evenings I have spent in this job, I was permitted to be the grand marshal of Indiana's Special Olympics. That night in Terre Haute, among individuals and families who have faced and triumphed over disabilities, over struggles most of us cannot really comprehend, I picked up a new motto, the motto of the Special Olympics: "Win or lose, may I be brave in the attempt."

My fondest hope for this era in which we live is that we are becoming a braver Indiana: unafraid of competition, unafraid of new ideas, unafraid of change. And always brave in the attempt to take long steps for big goals like fairness, and ownership, and economic security, goals that property tax reduction would serve.

So let's show some bravery these next six weeks. Some will say, how brave do you have to be to vote for a huge tax cut? But we all know how strong the pressure of special interests can be, how relentless the criticism even from those with no plan of their own. So we know that our opportunity will not be seized without bravery.

Bravery, and bipartisanship. The spirit that produced telecom reform, and health care for the uninsured, and a second honestly-balanced budget, must be brought to bear again. When it is, there will be ample thanks due from all Hoosiers to those of either chamber, in either party, who join hands, bravely, to do more than solve a problem, or dispel a crisis; those who fix their view not on the risks, and the critics, and the special interests, but on the chance for leadership, for breakthroughs, for greatness that lies straight ahead of us. So be brave these next few weeks. Great work is wanted to be done.

God bless this Assembly and this great state."

The President of the Senate adjourned the joint convention.

The House reconvened with the Speaker in the Chair.

On the motion of Representative Stilwell, the House adjourned at 7:30 p.m., this fifteenth day of January, 2008, until Wednesday, January 16, 2007, at 1:00 p.m.

B. PATRICK BAUER  
Speaker of the House of Representatives

CLINTON McKAY  
Principal Clerk of the House of Representatives